

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION
www.flmb.uscourts.gov**

In re:

**CASE NO.: 3:18-bk-01164-JAF
CHAPTER 11**

EIHAB H. TAWFIK, M.D., P.A.,

Debtor.

_____ /

CHAPTER 11 CASE MANAGEMENT SUMMARY

EIHAB H. TAWFIK, M.D., P.A., (“Debtor”), by and through its undersigned counsel, and pursuant to Administrative Order FLMB 2009-1 and Local Rule 2081-1, files its Chapter 11 Case Management Summary, and states as follows:

I. DESCRIPTION OF DEBTOR’S BUSINESS

1. Debtor owns and operates medical clinics in five locations in the Central Florida area. Those locations are Crystal River (2 locations), Celebration, Ocala, and Spring Hill. The clinics provide the Debtor’s patients with services including, but not limited to, internal medicine, urgent care, cardiology, diabetes treatment, podiatry, full imaging services and pain management. The Debtor’s business and revenue is generated from claims submitted to Medicare (60% of revenue), Medicaid (30% of revenue) and private insurance (10%).

II. EVENTS LEADING TO AND REASONS FOR FILING

2. In order to fund its operations, the Debtor took out secured loans from various creditors to purchase certain medical equipment and machinery. The Debtor also guaranteed various obligations related to the purchase of real estate owned by its affiliated companies. In 2017, Medicare challenged the billing codes entered by the Debtor related to claims submitted

for the prior few years. As a result, Medicare began offsetting the claims that the Debtor was attempting to process through Medicare from late 2017 through the Petition Date. This setoff had a significant impact on the Debtor's revenue stream, cutting it by as much as 60%.

3. As a direct result, the Debtor became delinquent with its secured and unsecured lenders. These lenders subsequently filed various lawsuits against the Debtor and other non-debtor entities and individuals. In one such lawsuit, Central Bank obtained a replevin order allowing Central Bank to begin the process of taking possession of Debtor's medical equipment, which also served as collateral to Central Bank's \$2,600,000.00 loans. Because Debtor could not operate without its medical equipment, Debtor filed the instant Chapter 11 Bankruptcy Case to preserve the going concern value of its operations for the benefit of its estate and creditors.

III. LIST OF SHAREHOLDERS AND THEIR SALARIES AND BENEFITS AT THE TIME OF FILING AND DURING ONE YEAR PRIOR TO FILING

4. Dr. Eihab H. Tawfik is the sole shareholder of the Debtor. Dr. Tawfik is also the sole director and officer of the Debtor. Prior to the Petition Date, Dr. Tawfik took a salary in the amount of \$120,000.00 annually, receiving approximately \$105,000.00 in the year prior to the Petition Date. Rafik Tawfik, Dr. Tawfik's brother, serves in an unofficial financial role for the Debtor with a salary in the amount of \$25,000.00 annually, receiving \$18,000.00 in the year prior to the Petition Date. Nabeha Kamel, Dr. Tawfik's mother, serves as a floor manager and patient advocate for the Debtor. Ms. Kamel is paid \$15 dollars an hour for her services.

IV. DEBTOR'S ANNUAL GROSS REVENUE

5. Debtor's gross income for the fiscal year 2017 was approximately \$7,100,000 from all sources of income and year to date 2018 income was \$710,000.00.

V. AMOUNTS OWED TO VARIOUS CLASSES OF CREDITORS

6. a. Obligations owed to priority creditors such as governmental creditors for taxes.

The Debtor does not believe that any allowed priority tax claimholders are, or will be owed any amount as of the Petition Date.

b. Identity, collateral, and amounts owed to secured creditors.

The Debtor owes Central Bank approximately \$2,600,000.00 and is secured by substantially all of the Debtor's personal property and certain medical equipment.

c. Amount of unsecured claims. As of the Petition Date, the Debtor was indebted to non-disputed unsecured creditors in the approximate amount of \$6,000,000.00.

VI. GENERAL DESCRIPTION AND APPROXIMATE VALUE OF DEBTOR'S CURRENT AND FIXED ASSETS

7. The Debtor's assets include approximately \$40,000 of funds in bank accounts, \$1,650,000.00 owed in accounts receivable from Medicare, personal property with an approximate value of \$4,000,000.00 comprised of medical equipment and machinery, medical inventory, furniture, and fixtures.

VII. NUMBER OF EMPLOYEES AND AMOUNTS OF WAGES OWED AS OF PETITION DATE

8. The Debtor employs thirty-one (31) W-2 employees. As of the Petition Date, the Debtor owes them approximately \$49,000.00.

VIII. ANTICIPATED EMERGENCY RELIEF TO BE REQUESTED WITHIN 14 DAYS FROM THE PETITION DATE

9. Emergency Motion to Use Cash Collateral.
10. Emergency Motion to Pay Affiliate Officer Salary.
11. Emergency Motion to Pay Employee Prepetition Wages.
12. Verified Motion to Excuse Debtor from Appointment of Patient Care Ombudsman (non-emergency).

IX. DEBTOR'S STRATEGIC OBJECTIVES

13. The Debtor plans to resolve its long pending dispute with Medicare which will provide the revenue the Debtor needs to reorganize its secured and unsecured debts for the benefit of all creditors and its estate.

RESPECTFULLY SUBMITTED this 12th day of April 2018.

/s/ Justin M. Luna

Justin M. Luna, Esq.

Florida Bar No. 0984469

jluna@lseblaw.com

Daniel A. Velasquez, Esq.

Florida Bar No. 0098158

Dvelasquez@lseblaw.com

LATHAM, SHUKER, EDEN & BEAUDINE, LLP

bknotice@lseblaw.com

111 N. Magnolia Ave., Suite 1400

Orlando, Florida 32801

Telephone: 407-481-5800

Facsimile: 407-481-5801

Attorneys for the Debtor

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION
www.flmb.uscourts.gov

In re:

CASE NO.: 3:18-bk-01164-JAF
CHAPTER 11

EIHAB H. TAWFIK, M.D., P.A.,

Debtor.

_____/

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the Debtor's **CASE MANAGEMENT SUMMARY** has been furnished either electronically or by facsimile and by U.S. First Class, postage prepaid mail to: **Eihab H. Tawfik, M.D., P.A.**, c/o Eihab H. Tawfik, 7394 West Gulf to Lake Highway, Crystal River, Florida 34429; Central Bank, c/o Megan W. Murray, Esq., 101 E. Kennedy Blvd., Suite 1700, Tampa, Florida 33602; all creditors as shown on the matrix attached hereto, and the U.S. Trustee, 400 W. Washington Street, Suite 1100, Orlando, Florida 32801, this 12th day of April 2018.

/s/ Justin M. Luna

Justin M. Luna, Esq.

Label Matrix for local noticing
113A-3
Case 3:18-bk-01164-JAF
Middle District of Florida
Jacksonville
Thu Apr 12 14:22:59 EDT 2018

IBERIABANK
c/o Michael S. Waskiewicz, Esq.
Burr & Forman LLP
50 N. Laura Street, Suite 3000
Jacksonville, FL 32202-3658

Baytree Nat. Bank & Trust Co
664 N Western Ave.
Laek Forest, IL 60045-1951

CCM Capital Collection Mgmt
115 Solar Street, Suite 100
Syracuse, NY 13204-5407

CT Lien Solutions
PO Box 29071
Glendale, CA 91209-9071

Central Bank
c/o Megan W. Murray, Esq.
101 E Kennedy Blvd, Ste 1700
Tampa, FL 33602-3647

Citrus Diabetes Treatment
Center, LLC
7450 W. Gulf to Lake Hwy
Crystal River, FL 34429

Corporation Service Co.
801 Adlia Stevenson Dr
Springfield, IL 62703-4261

DLI Assets Bravo, LLC
550 N. Brand Blvd. Ste. 2000
Glendale, CA 91203-1935

ELM Services
PO Box 15270
Irvine, CA 92623-5270

Central Bank
c/o Trenam Law
Megan W. Murray
101 E Kennedy Boulevard, #2700
Tampa, FL 33602-5150

Alyouzbaki Tawfik
c/o Joseph C. Crawford, Esq.
50 N Laura St, Ste 2600
Jacksonville, FL 32202-3629

Burr & Foreman, LLP
Attn: Michael S. Waskiewicz
50 North Laura St., Ste 3000
Jacksonville, FL 32202-3658

CHTD Company
PO Box 2576
Springfield, IL 62708-2576

Cassidy Abbott Orr
c/o Jay P. Lechner, Esq.
One Progress Plaza
200 Central Ave., #400
St. Petersburg, FL 33701-4356

Citrus County Tax Collector
210 N. Apopka Ave Ste 100
Inverness FL 34450-4298

Colonial Funding Network
120 West 45th Street
New York, NY 10036-4195

Corporation Service Co.
PO Box 2576
Springfield, IL 62708-2576

Danco Medical, Inc.
c/o Ashley H. Lukis, Esq.
PO Box 11189
Tallahassee, FL 32302-3189

First Coast Service Options
Medicare Part B Overpayment
PO Box 45248
Jacksonville, FL 32232-5248

Eihab H. Tawfik, M.D., P.A.
7394 West Gulf to Lake Highway
Crystal River, FL 34429-7802

Balboa Capital Corp.
575 Anton Blvd., 12th Floor
Costa Mesa, CA 92626-7169

CAPALL, LLC
122 East 42nd St., Ste. 2112
New York, NY 10168-2100

CT Corporation System
Attn: SPRS
330 N. Brand Blvd, Ste 700
Glendale, CA 91203-2336

Central Bank
20701 Bruce B. Downs Blvd
Tampa, FL 33647-3676

Citrus Diabetes Treatment
Center, LLC
7394 W. Gulf to Lake Hwy
Crystal River, FL 34429-7802

Complete Business Solutions
22 North 3rd Street
Philadelphia, PA 19106-2113

Creekridge Capital, LLC
7808 Creekridge Cir. Ste 250
Edina, MN 55439-2647

Dr. Eihab H. Tawfik, MD
7394 West Gulf to Lake Highway
Crystal River, FL 34429-7802

First Corporation Solutions
914 S. Street
Sacramento, CA 95811-7025

Florida Dept. of Revenue
Bankruptcy Unit
P.O. Box 6668
Tallahassee, FL 32314-6668

Fred E. Moore, Esq.
801 11th Street West
Bradenton, FL 34205-8432

GE Healthcare
c/o Richard P. Joblove, Esq.
12372 Southwest 82nd Ave.
First Floor
Miami, FL 33156-5223

Gurley Vitale, P.A.
Attn: J. Ben Vitale, Esq.
601 S. Osprey Ave.
Sarasota, FL 34236-7526

Huntington Tech. Finance
2285 Franklin Road
Bloomfield Hills, MI 48302-0364

IberiaBank
PO Box 53207
Lafayette, LA 70505-3207

Internal Revenue Service
PO Box 7346
Philadelphia, PA 19101-7346

Key Equipment Finance Inc.
1000 South McCaslin Blvd.
Superior, CO 80027-9441

LiftForward, Inc.
c/o LF Collateral SPV I, LLC
180 Maiden Lane, 10th Floor
New York, NY 10038-5178

Lysoft Media
c/o Colonial Funding Network
120 West 45th Street
New York, NY 10036-4195

Macquarie Equipment Finance
2285 Franklin Rd., Ste. 100
Bloomfield Hills, MI 48302-0363

McKesson Corporation
401 Mason Road
La Vergne, TN 37086-3243

Medicare Part B Cash Mgmt
c/o First Coast Srvc Options
PO Box 44141
Jacksonville, FL 32231-4141

Merchant Cash & Capital LLC
450 Park Ave. S., 11th Floor
New York, NY 10016-7320

National Radiology Sol Group
101 Alycia Drive
Richmond, KY 40475-2368

Navitas Credit Corp.
P.O. Box 935204
Atlanta, GA 31193-5204

Navitas Lease Corp. ISAOA
111 Executive Dr., Ste. 102
Columbia, SC 29210-8414

Nicole Richardson
c/o Matthew W. Birk, Esq.
309 NE 1st Street
Gainesville, FL 32601-5310

Pamela Rizzo-Alderson
c/o Jay P. Lechner, Esq.
One Progress Plaza
200 Central Ave., Ste. 400
St. Petersburg, FL 33701-4356

Quarterspot Inc.
4601 N Fairfax Dr, Ste 1120
Arlington, VA 22203-1547

Secretary of the Treasury
15th & Pennsylvania Ave., NW
Washington, DC 20220-0001

Secured Lender Solutions LLC
PO Box 2576
Springfield, IL 62708-2576

Stress Free Capital, LLC
2501 Hollywood Blvd, Ste 210
Hollywood, FL 33020-6632

U.S. Securities & Exchange Commission
Office of Reorganization
950 East Paces Ferry Road, N.E.
Suite 900
Atlanta, GA 30326-1382

US Dept of Treasury
Bureau of the Fiscal Service
PO Box 830794
Birmingham, AL 35283-0794

US Dept of Treasury
PO Box 979101
St. Louis, MO 63197-9000

United States Attorney
300 North Hogan St Suite 700
Jacksonville, FL 32202-4204

Vangaurd Medical Mgmt LLC
c/o Jay P. Lechner, Esq.
One Progress Plaza
200 Central Ave., #400
St. Petersburg, FL 33701-4356

Yellowstone Capital, LLC
30 Broad Street
14th Floor, Ste. 1462
New York, NY 10004-2304

Yes Funding Services, LLC
c/o Douglas Robinson, Esq.
122 East 42nd St., Ste. 2112
New York, NY 10168-2100

United States Trustee - JAX 11 +
Office of the United States Trustee
George C Young Federal Building
400 West Washington Street, Suite 1100
Orlando, FL 32801-2210

Elena L Escamilla +
Office of the United States Trustee
400 W. Washington Street
Suite 1100
Orlando, FL 32801-2440

Michael S Waskiewicz +
Burr & Forman, LLP
50 North Laura Street, Suite 3000
Jacksonville, FL 32202-3658

Justin M. Luna +
Latham, Shuker, Eden & Beaudine, LLP
P.O. Box 3353
Orlando, FL 32802-3353

Megan Wilson Murray +
Trenam Kemker
101 East Kennedy Boulevard
Suite 2700
Tampa, FL 33602-5170

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u) Jerry A. Funk
Jacksonville

(d) IBERIABANK
c/o Michael S. Waskiewicz, Esq.
Burr & Forman LLP
50 N. Laura Street, Suite 3000
Jacksonville, FL 32202-3658

(u) Note: Entries with a '+' at the end of the
name have an email address on file in CMECF

Note: Entries with a '-' at the end of the
name have filed a claim in this case

End of Label Matrix
Mailable recipients 64
Bypassed recipients 3
Total 67